

# WOMEN AND CREDIT LAWS



## A mini-lesson for:

adult and community educators  
secondary school teachers  
students and consumers

This lesson includes learning objectives, background information, discussion questions, an activity and additional sources of information.

## OBJECTIVES

Learners will:

- ◆ become familiar with federal credit laws
- ◆ understand the rights and protections of women under federal credit laws

Thanks to U.S. federal credit laws, women who responsibly manage their personal financial resources can usually obtain and use credit without problems. Prior to 1968 credit was often not readily available to women, but today most credit granting institutions, including credit card companies, are actively seeking women customers.

While women enjoy significant credit rights under federal laws, the law always works best for people who know its protections. The Consumer Credit Protection Act of 1968 was the first consumer law designed to protect the rights of all consumers in obtaining credit information. The law required creditors to state the cost of borrowing in writing, and to use clear language. Now consumers could compare costs and shop for the best credit deal.

Since 1968 important statutes have been passed that give further protections. Each new law was meant to reduce problems and confusion surrounding consumer credit. The concepts of fair and equal credit set a standard for how consumers are to be treated in

their financial affairs, and prohibit discriminatory practices that once made it difficult for women and minorities to get credit. The following laws are a part of the Consumer Credit Protection Act:

- ◆ Truth in Lending Act - <http://www4.law.cornell.edu/uscode/15/1601.html>
- ◆ Fair Credit Reporting Act - <http://www.ftc.gov/os/statutes/fcra.htm>
- ◆ Fair Credit Billing Act - <http://www.ftc.gov/os/statutes/fcb/fcb.pdf>
- ◆ Equal Credit Opportunity Act - <http://www4.law.cornell.edu/uscode/15/1691.html>
- ◆ Consumer Leasing Act - <http://www4.law.cornell.edu/uscode/15/1667.html>
- ◆ Fair Debt Collection Practices Act - <http://www.ftc.gov/os/statutes/fdcpa/fdcpact.htm>

## Truth in Lending Act

The Truth in Lending Act requires creditors to give you certain basic information about the cost of buying on credit or taking out a loan. Credit costs vary but by comparing the finance charges and the annual percentage rates you can shop for the best credit deal. The following information must be disclosed in writing and must be stated in plain language:

- ◆ amount financed
- ◆ total number of payments and their amounts
- ◆ a description of any security held by the creditor
- ◆ annual percentage rate (APR) expressed as a percentage which reflects all costs of the loan
- ◆ finance charge stated as a dollar amount
- ◆ other loan terms and conditions such as date on which payment is due, late payment and prepayment penalties

In addition, the Truth in Lending Act:

- ◆ regulates advertising of credit terms
- ◆ prohibits credit card issuers from sending unrequested cards
- ◆ limits a cardholder's liability to \$50 for unauthorized use of their card
- ◆ requires a written itemization of the amount borrowed and all charges not included as a part of the finance charge

**See our Web Site on STUDY UNIT 3 --- CREDIT PRACTICES RULE AND TRUTH IN LENDING** at <http://www.dfi.state.in.us/conscredit/StudyUnits/unit3.htm>.

## Fair Credit Reporting Act

The Fair Credit Reporting Act provides consumers access to information contained in their credit reports. It provides a means of correcting errors and places limits on who may see a copy of your credit report. No one is legally allowed to see your credit report unless they need the information for credit approval, employment purposes, to underwrite insurance, or because of a court order. The key provisions of the Fair Credit Reporting Act are:

- ◆ requires that if you are denied credit, insurance or employment as a result of information on a credit report, the credit grantor must provide the name and address of the credit bureau that provided the report;
- ◆ requires that you have 30 days after you are informed of credit denial to contact the credit bureau to either arrange for a free copy to be sent to you or to visit the credit bureau and have it explained to you;
- ◆ states that after 30 days the credit bureau can charge you a fee to see your credit report;
- ◆ requires the credit bureau to investigate any error and remove from your credit report any information that cannot be verified;
- ◆ gives you the opportunity to include your statement regarding any negative information in your file and to have the credit bureau send the statement to creditors and businesses;
- ◆ limits the time that certain information will be reported (bankruptcies must be removed after 10 years and suits, judgments, tax liens and arrest records must be removed after 7 years)

**See our Web Site on STUDY UNIT 5 --- THE FAIR CREDIT REPORTING ACT** at <http://www.dfi.state.in.us/conscredit/StudyUnits/unit5.htm> .

## Fair Credit Billing Act

The Fair Credit Billing Act sets up procedures to promptly correct billing mistakes, to withhold payments for defective goods, and requires creditors to credit your payments promptly. It also states your rights and responsibilities when you lose your credit card or are the victim of credit card fraud. Most importantly, it will protect your credit rating during the settling of the dispute. Types of errors covered under this law are:

- ◆ charges not made or authorized by you
- ◆ charges listing the wrong price, description or date
- ◆ failure to credit your account for items you did not accept or which were not delivered as agreed
- ◆ accounting errors

- ◆ failure to credit payments on returned items
- ◆ charges for which you have requested an explanation or written proof of purchase
- ◆ bills that are not mailed or are sent to another address (you must give at least 20 days notice of your address change)

Periodically, creditors must send a copy of the procedures to follow if you have a billing error.

- ◆ If you find a billing error, you have 60 days to notify the creditor in writing. A telephone call will not protect your rights under this law. You are required to send a separate letter stating your name, account number, the amount disputed and your explanation of why you think there is a mistake. (You keep the originals. Send copies of documentation and mail them certified with return receipt.)
- ◆ Your letter must be acknowledged within 30 days of receipt, unless the problem is resolved within that period.
- ◆ The creditor must correct the mistake or explain why the bill is correct within two billing cycles or 90 days.
- ◆ If you do not accept the creditor's explanation, you have 10 days to inform them that you still refuse to pay the disputed amount.
- ◆ Legally, at this point the creditor may begin collection procedures, however, any reports to a credit bureau must state that your refusal to pay was due to a billing dispute.
- ◆ A creditor may not threaten your credit rating during the billing dispute. Once you have notified the creditor, the business must not give information to credit bureaus that would damage your credit record.
- ◆ You have the right to withhold payment on any damaged or poor quality goods or services purchased with a credit card, as long as you make a serious attempt to resolve the problem with the merchant. (This right only applies to sales over \$50 in your home state or within 100 miles of your house.)

**See our Web Site on STUDY UNIT 3, TOPIC 2 - BILLING ERROR RIGHTS** at <http://www.dfi.state.in.us/conscredit/StudyUnits/U3T2.html#B> .

## **Equal Credit Opportunity Act**

The Equal Credit Opportunity Act prohibits discrimination against an applicant for credit on the basis of sex, marital status, race, color, religion, national origin, age or income from public assistance. This Act does not give you an automatic right to credit. It does require that creditors apply the same standards of creditworthiness equally to all applicants. The provisions are:

When you apply for credit, creditors must not:

- ◆ ask your sex
- ◆ ask your marital status (unless you live in a community property state)
- ◆ ask you to choose a courtesy title (Miss, Mrs. or Ms.)
- ◆ ask for information about husband or ex-husband unless:
  - ◆ you live in a community property state
  - ◆ your income comes from alimony or his support, or
  - ◆ he will also use the account
- ◆ require a cosigner or your husband's signature
- ◆ require you to reapply for credit if there is a change in your marital status
- ◆ Creditors must inform applicants of acceptance or rejection within 30 days.
- ◆ Creditors must provide a written statement explaining why your application was rejected.
- ◆ Creditors are required to report information to the credit bureaus in the names of both spouses.

Creditors develop their own criteria to rate consumers as credit risks. Legally, they may ask about:

- ◆ your income, savings and investments
- ◆ your occupation and how long you have been with your present employer
- ◆ how long you have lived at your present address
- ◆ whether you own or rent your home

They will also examine your credit report to look at your debts, how often you borrow, and your repayment record. Any creditor wants to be assured of your willingness and ability to repay the debt.

**See our Web Site on STUDY UNIT 4 --- THE EQUAL CREDIT OPPORTUNITY ACT** at <http://www.dfi.state.in.us/conscredit/StudyUnits/unit4.htm> .

## Consumer Leasing Act

The Consumer Leasing Act requires the disclosure of important lease terms and costs so that you can compare one lease with another or compare the cost of buying with cash to buying on credit. This law applies to personal property leased by a consumer for more than four months and covers cars, furniture, appliances and other personal property.

The Consumer Leasing Act does **not** cover:

- ◆ daily or month-to-month car rentals
- ◆ leases for apartments or houses
- ◆ furnished apartments
- ◆ property leased to companies for business use

The law requires a written contract with the following costs and terms stated:

- ◆ total price of the item
- ◆ amount of any down payment, such as a security deposit
- ◆ total number of payments
- ◆ amount of payments
- ◆ due date for payments
- ◆ amount of license, registration, taxes, maintenance or other fees
- ◆ cost of late payment or default
- ◆ type of insurance required
- ◆ type of warranty
- ◆ person or department responsible for maintenance and service
- ◆ procedure and penalty to cancel contract
- ◆ purchase option cost
- ◆ wear and tear standards

**See our Web Sits for more information on AUTO LEASING** at <http://www.dfi.state.in.us/conscredit/end.htm> .

## **Fair Debt Collection Practices Act**

The Fair Debt Collection Practices Act was designed to insure that consumers are treated fairly by debt collectors. All kinds of personal, family and household debts are covered in the law; purchase of an automobile, medical costs, charge accounts and furniture or appliance loans. However, the law does not cover businesses handling their own collections. The debt collector can contact you in person, on the telephone, by mail, telegram or FAX, but they cannot contact you at unreasonable times or places. The Act provides the following protections:

Prohibits abusive, deceptive, and unfair practices such as:

- \* using abusive language or threats
- \* using the telephone to annoy you
- \* contacting you at inconvenient times or places
- \* misrepresenting themselves to you (such as claiming to be a lawyer)
- \* using unfair means (such as to threaten lawsuits or arrest)
- \* collecting more than you owe

Establishes the procedure for debt collection:

- \* within 5 days after initial contact, the debt collector must send a statement of the amount of money owed the creditor and what action to take if you feel that you do not owe the money
- \* if you send a letter within 30 days of the notice that you do not owe the money, then the debt collector cannot make further collection efforts until you are sent proof of the debt
- \* the debt collector cannot collect for any debt that cannot be verified
- \* limits debt collectors contacts with third parties (except to locate the debtor)
- \* requires that if you owe several debts, the monies must be applied as you wish
- \* restricts debt collectors from trying to collect for any debt in dispute

**See our Web Site on STUDY UNIT 6 --- THE FAIR DEBT COLLECTION PRACTICES ACT** at <http://www.dfi.state.in.us/conscredit/StudyUnits/unit6.htm> .

See our Web Sites on Debt Collection at <http://www.dfi.state.in.us/conscredit/end.htm#J> .

## Your Consumer Rights

The federal consumer credit laws are designed to help if you have been discriminated against or denied credit. You should first contact the creditor and explain that you are aware of the specific law that relates to your situation. Then send a letter to the appropriate federal agency. When denied credit, you must be given the name and address to the appropriate federal agency. The federal agencies do not take individual cases but do use that information to select which companies to investigate. Finally, you can sue in a federal district court and may win actual damages and/or punitive damages.

File a complaint with the Federal Trade Commission at [www.ftc.gov](http://www.ftc.gov).

**See our Web Sites on Consumer Credit Information** at <http://www.dfi.state.in.us/conscredit/end.htm>.

# DISCUSSION QUESTIONS

1. Why were federal consumer credit laws enacted?
2. What finance charges must be disclosed in the Truth in Lending Act?
3. Who can legally access a consumer's credit report?
4. Can you legally solve a billing error over the telephone?
5. Do creditors have the right to ask you about your spouse's income? Why?
6. What goods and services are covered in the Consumer Leasing Act?
7. What limits are placed on a debt collector?



# ACTIVITY

Make a Consumer Credit Law Quiz asking for the name of the law. Discuss the protections provided by each law.

Give students copies of our Brochures.

## SOURCES OF ADDITIONAL INFORMATION

### Books

***You and Your Credit: Tools For Understanding and Repairing Your Own Credit*** by Darryl R. White. Pyramid, 1994).

***Money Troubles: Legal Strategies To Cope With Your Debts*** by Nolo Publishing. Telephone: 1-800-992-6656. \$19.95. Advice on negotiating with creditors, handling bill collectors, filing for bankruptcy and rebuilding credit.

### Pamphlets/Brochures

***Answers to Credit Problems***  
***Applying For Credit***  
***and Divorce***  
***Credit Rights and Responsibilities***  
***Debt Collection Problems***  
***Equal Credit Opportunity***  
***Equal Credit Opportunity and Women***  
***Fair Credit Reporting***  
***Fair Debt Collection***  
***Women and Credit Histories***

***Free from the Indiana Department of Financial Institutions, 402 West Washington Street, Room W-066, Indianapolis, IN, 46204 at***  
<http://www.dfi.state.in.us/uccc/Lists/LIST%20CREDIT%20BROCHURES.html> :

### ***Consumer Handbook to Credit Protection Laws***

Available, free from:  
Publications Services  
Board of Governors of the Federal Reserve System  
Washington, DC 20551

***Credit Billing Errors***  
***Equal Credit Opportunity***  
***Fair Credit Billing***

***Fair Credit Reporting  
Fair Debt Collection  
Solving Credit Problems  
What to do if You're Denied Credit  
How to Dispute Credit Report Errors***

Available, free from:  
Federal Trade Commission  
Public Reference  
6th & Pennsylvania Avenue, NW  
Washington, DC 20580

## Video

***Going Broke in America: Bankruptcy and Your Alternatives***, stories about financially strapped consumers coping with severe debt problems. Presents bankruptcy options, consequences and alternatives. 26 minutes. (1992). \$49.95 or free loan. AFSA Consumer Credit Education Foundation, Central Orders Desk, 919 18th Street, NW, Washington, DC 20006. Telephone: (202) 296-5544.

## World Wide Web

**Credit and Divorce** <http://www.dfi.state.in.us/conscredit/divorce.htm>

**Women and Credit Histories** <http://www.dfi.state.in.us/conscredit/womencr.htm>

**Women and Credit Laws** <http://www.dfi.state.in.us/conscredit/WOLAW.htm>

**Link to Women's Finance** <http://www.womensfinance.com>

Knee-Deep In Debt  
Getting Back in the Black  
<http://www.ftc.gov/bcp/online/pubs/credit/kneedeep.htm>

## Sources

Consumer Credit Counseling, Inc.  
Education Department  
38505 Country Club Drive  
Suite 210  
Farmington, MI 48331  
Telephone: (248) 553-5400, Ext. 19

S. James  
Consumer Information Center - 7C  
P.O. Box 100  
Pueblo, CO 81002  
<http://www.pueblo.gsa.gov>

R. Woods  
Consumer Information Center -7C  
P.O. Box 100  
Pueblo, CO 81002  
<http://www.pueblo.gsa.gov>

Public Reference, Room 130  
Federal Trade Commission  
Washington, DC 20580-0001  
<http://www.ftc.gov>

You and your husband apply for a loan. The application is denied because of "insufficient income." You think this means that your salary was not counted. **What do you do?**

You are single and want to buy a home. The bank turns you down for a mortgage loan, even though you feel sure that you meet its standards. **What do you do?** You may have a complaint under the Equal Credit Opportunity Act.

**What is the Equal Credit Opportunity Act?**

The Equal Credit Opportunity Act (ECOA) is the federal law which, among other things, says that everyone has the right to apply for credit without fear of discrimination on the basis of sex, marital status, race, color, religion, national origin, age, reliance on income from public assistance, or because you may have exercised rights under the Consumer Protection laws.

**Who is Subject to ECOA?**

All banks, savings and loans, credit unions, finance companies, department stores, credit card issuers, car and appliance dealers, and others who regularly participate in credit decisions must comply with the ECOA.

**What is Creditworthiness....**

Creditors choose various criteria to rate you as a credit risk. They may ask about your finances; how much you earn, what kinds of savings and investments you have, what your other sources of income are. They may look for signs of reliability; your occupation, how long you've been employed, how long you've lived at the same address, whether you own or rent your home.

They may also examine your credit record: how much you owe, how often you've borrowed, and how you've managed past debts.

The creditor wants to be assured of two things: your ability to repay the debt and your willingness to do so. The ECOA does not change this standard of creditworthiness.

**Applying for Credit..**

A creditor may not discourage you from applying for credit just because you are a woman, or single, or married. When you fill out a credit application you know that there are only certain questions a creditor may ask about your sex or marital status.

You may not be asked your sex on a credit application unless you are buying or refinancing a home. Just because you are a woman, a creditor may not turn you down.

You do not have to choose a courtesy title (Miss, Ms., Mrs.) on a credit form.

A creditor may not request your marital status on an application for an individual, unsecured account where no community property is involved.

**Rating You as a Credit Risk..**

To make sure that your application is treated fairly, there are certain other things that a creditor may not do in deciding whether you are creditworthy.

**Specifically, a creditor may not:**

- ◆ refuse to consider your income because you are a married woman, even if your income is from part-time employment;

- ◆ ask about your birth control practices or your plans to have children. A creditor may not assume that you will have children or that your income will be interrupted to do so;
- ◆ refuse to consider reliable alimony, child support, or separate maintenance payments. However, you don't have to disclose such income unless you want to in order to improve your chances of getting credit.
- ◆ consider whether you have a telephone listing in your own name, because this would discriminate against married women;
- ◆ consider your sex as a factor in deciding whether you are a good credit risk; and
- ◆ use your marital status to discriminate against you.

A creditor may not refuse to grant you an individual account just because of your sex or marital status.

The law says that a woman has a right to her own credit if she is creditworthy. If you are getting married, remember that you can keep your own credit accounts and credit record.

See our Brochure on Equal Credit Opportunity.

**For More Information**

The Federal Trade Commission enforces the federal credit law given in this brochure and provides consumers with free information. For brochures, write to: Public Reference, Federal Trade Commission, Washington, D.C. 20580, <http://www.ftc.gov>.



The Indiana Department of Financial Institutions,  
Division of Consumer Credit has many other credit  
related brochures available, such as:

- Answers to Credit Problems
- Applying for Credit
- At Home Shopping Rights
- Bankruptcy Facts
- Buried in Debt
- Car Financing Scams
- Charge Card Fraud
- Choosing A Credit Card
- Co-Signing
- Credit and Divorce
- Credit and Older Consumers
- Deep in Debt?
- Equal Credit Opportunity
- Fair Credit Reporting
- Fair Debt Collection
- Gold Cards
- Hang up on Fraud
- High Rate Mortgages
- Home Equity Credit Lines
- How to Avoid Bankruptcy
- Indiana Uniform Consumer Credit Code
- Look Before you Lease
- Mortgage Loans
- Repossession
- Reverse Mortgage Loans
- Rule of 78s – What is it?
- Scoring for Credit
- Shopping for Credit
- Using Credit Cards
- Variable Rate Credit
- What is a Budget?
- What is the DFI?

Call our toll-free number or write to the address on the  
cover for a copy of any of the brochures listed or for  
further consumer credit information. You can also  
access information at our web site on the Internet:  
<http://www.dfi.state.in.us>, then click on Consumer  
Credit.



# EQUAL CREDIT OPPORTUNITY AND WOMEN



## DEPARTMENT OF FINANCIAL INSTITUTIONS

Consumer Credit Division  
402 West Washington Street, Room W066  
Indianapolis, Indiana 46204  
317-232-3955  
1-800-382-4880  
Web Site <http://www.dfi.state.in.us>



## FAST FACTS

- ◆ If you have never had credit, start building a good record now.
- ◆ If you have had credit before under a different name or a different location, make sure your local credit bureaus have complete and accurate information about you in a file under your current name.
- ◆ If you were married or divorced recently and changed your name, ask your creditors to change your name on your accounts.
- ◆ If you have shared accounts with your husband, creditors should be reporting information about these accounts to credit bureaus under both names, but check with the credit bureaus to make sure.

*Mrs. Becker had been using her husband's department store charge card for several years. The charges were billed to her husband, but she took responsibility for paying the bills on time. Recently, she applied for her own credit card from the store and her application was denied. The reason? The store had no record of her bill-paying history on her husband's account.*

*Louise Martin changed her name when she got divorced. Although she had several successful credit accounts in her married name, her applications for credit in her maiden name were repeatedly denied. Creditors told her: "We cannot find a record of your credit history under the name you gave on your application form."*

*Bess Fenton, a young single woman, recently moved to the West Coast to start a new job. She applied for her first credit card with a national oil company, but since she had no record with the local credit bureau, her application was denied. Her question: "If it takes credit to get credit, how do I begin?"*

You may have faced similar problems when you have applied for credit. Each year, many women are denied credit because they cannot show how they have used it. A good credit history is the way most companies predict your future success using credit. The record of your payment on credit cards, charge accounts, installment loans, and other credit accounts is how you get a "track record." It gives a creditor evidence that you are a good credit risk.

## KNOW YOUR RIGHTS UNDER THE LAW

Two federal laws give you specific rights that help protect your credit history and make it easier for you to obtain credit:

**Equal Credit Opportunity Act (ECOA)** prohibits a creditor from discriminating against you on the basis of sex or marital status in any aspect of a credit transaction. The ECOA also forbids discrimination on the basis of your race, color, age, national origin,

religion, because you receive public assistance payments, or because you exercised rights under the federal consumer credit protection laws.

**Fair Credit Reporting Act (FCRA)** protects consumer privacy and safeguards the accuracy of credit bureau reports.

## ASK THE CREDIT BUREAU TO HELP

Credit bureaus gather and sell credit information about consumers and are a principal source of information about your credit history. Creditors usually rely on credit bureau reports before issuing a line of credit. So it makes sense to ask your local credit bureaus for your report. You can find them listed in the telephone Yellow Pages under "Credit Bureaus" or "Credit Reporting Agencies." The bureaus will report whatever they have on file, which might include what kinds of credit accounts you have, how punctually you pay your bills, and whether you have ever filed for bankruptcy or were sued. The report may include other credit references that you can use in new credit applications to give a more complete picture of your financial situation. See our Brochure on Fair Credit Reporting.

Some credit references may not appear in your file simply because the creditor may not report the information to the credit bureaus. Credit bureaus obtain most of their information from those creditors who send them monthly reports. Some creditors only report delinquent accounts; accounts with good payment histories may go unreported. Most major national credit card companies report their accounts to credit bureaus, but many local creditors do not.

## FILL AN EMPTY CREDIT FILE

If creditors have failed to supply information to your credit file, or if you have never had credit in your own name, a "no file" report can cause your application to be rejected.

For example, if you become separated, divorced, or widowed, or simply want credit in your own name, a credit bureau may report "no file" exists for you. You might have a great credit history, but all in your husband's name. You may have the same problem when you marry and change your name. Old accounts held in your maiden name may not automatically be transferred to a file listed under your married name. For all practical purposes your credit history is lost.

Therefore, it is important to check with the credit bureau after a name change to ensure that old account information has transferred to a file under your new name.

For your own protection you should learn how to prevent credit history "evaporation." There are steps you can take to fill an empty

file with your past credit history or to build the file with new information.

## KINDS OF ACCOUNTS

To ensure that you are protected should you become separated, divorced, or widowed, find out now what kind of credit accounts you have. You can either check the application(s) or ask your creditor(s).

There are two basic kinds of credit accounts.

1. **An individual account.** When you apply for an individual account, only your own income, assets, and credit history are considered by the creditor. Whether married or single, you alone are responsible for paying off the debt on this account. The account will appear on the individual's credit report.
2. **A joint account.** The income, financial assets, and credit history of both spouses are taken into consideration for a joint account. No matter who actually handles the household bills, both spouses are responsible for seeing that all debts are paid. A creditor who reports the credit history of a joint account to credit bureaus must report it in both names.

If you are separating from or divorcing your spouse, you should immediately cancel your joint credit card account(s). While any account balance remains your mutual responsibility, canceling the account(s) will prevent further use or abuse of the card(s) that, if left unpaid, could damage both of your credit reports.

Under the ECOA, a creditor cannot automatically close or change the terms of a joint credit card account solely because of the death of your spouse. However, in some instances a creditor may ask you to update your application or reapply. This can happen if the account was initially granted based on all or part of your spouse's income and if the creditor has reason to suspect your income is inadequate to support the credit line.

## BUILD YOUR CREDIT FILE

If you have never had credit, start building a good record now. A local bank or department store may approve your credit application even if you do not meet the standards of large creditors. But do not apply for too many accounts at one time. Credit bureaus keep a record of each creditor who inquires about you. Some creditors may deny your application if they think you are trying to open too many accounts and may exceed your ability to pay them.

If you have had credit before under a different name or in a different location, make sure your local credit bureau has complete and accurate information about you in a file under your current name.

Most cities have two or three bureaus. Call each bureau to find out if they have a file on you. They may charge a small fee for checking your file.

If you are married, know that you have the right to apply for a credit account in your own name based on your own financial qualifications.

If you were married or divorced recently and changed your name, ask your creditors to change your name on your accounts. Once you verify that these accounts are in your new name, your complete credit history should be reported correctly to the credit bureau.

## GIVE YOUR BEST CREDIT REFERENCES

List your best credit accounts, open and closed, on any credit application including accounts you shared with your husband or former husband.

Also ask the creditor to consider the credit history of accounts that are reported in your husband's or former husband's name only. The creditor must consider this information if you can show it reflects your ability to manage credit. For example, you may be able to show through cancelled checks that you made payments on an account, even though it is listed in your husband's or former husband's name only.

Offer to assist the creditor in providing verification of your credit references when an account history does not appear in a credit bureau report. If you can show a credit history applied to you, even though it was in your husband's or former husband's name, the creditor must consider it. Be aware, however, that if your husband's credit history on a shared account was bad, the company will consider that credit history yours as well. If any previous history was unfavorable but does not accurately reflect your creditworthiness, explain this to the creditor.

## CREDIT HISTORY FOR MARRIED PEOPLE

The ECOA states that when creditors report histories to credit bureaus or to other creditors, they must report information on accounts shared by married couples in both names.

## ASK QUESTIONS IF YOUR APPLICATION IS DENIED

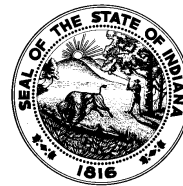
The ECOA gives you the right to know the specific reasons for denial if you receive a notice that your credit application was denied. If the denial was based on a credit report, you are entitled to know the specific information in the credit report that led to the denial.

After you receive this information from the creditor, you should visit or telephone the local credit bureau to find out what information was reported. The bureau cannot charge for disclosure if you ask to see your file within 30 days of being notified of a denial based on a credit report. You may ask the bureau to investigate any inaccurate or incomplete information and correct its records.

---

The Indiana Department of Financial Institutions, Division of Consumer Credit has many other credit related brochures available, such as:

Answers to Credit Problems  
Applying for Credit  
At Home Shopping Rights  
Bankruptcy Facts  
Buried in Debt  
Car Financing Scams  
Charge Card Fraud  
Choosing A Credit Card  
Co-Signing  
Credit and Divorce  
Credit and Older Consumers  
Deep in Debt?  
Equal Credit Opportunity  
Fair Credit Reporting  
Fair Debt Collection  
Gold Cards  
Hang up on Fraud  
High Rate Mortgages  
Home Equity Credit Lines  
How to Avoid Bankruptcy  
Indiana Uniform Consumer Credit Code  
Look Before you Lease  
Mortgage Loans  
Repossession  
Reverse Mortgage Loans  
Rule of 78s – What is it?  
Scoring for Credit  
Shopping for Credit  
Using Credit Cards  
Variable Rate Credit  
What is a Budget?  
What is the DFI?



Call our toll-free number or write to the address on the cover for a copy of any of the brochures listed or for further consumer credit information. You can also access information at our web site on the Internet: <http://www.dfi.state.in.us>, then click on Consumer Credit.

# WOMEN AND CREDIT HISTORIES



## DEPARTMENT OF FINANCIAL INSTITUTIONS

Consumer Credit Division  
402 West Washington Street, Room W066  
Indianapolis, Indiana 46204  
317-232-3955 - 1-800-382-4880  
Web Site <http://www.dfi.state.in.us>

